

KANSAS DEPARTMENT OF REVENUE

Kansas Retailers' Sales Tax

Carl York

785-296-1048

carl.york@ks.gov

KANSAS SALES TAX

The Kansas Retailers' Sales Tax was enacted in 1937 at the rate of 2%, Increasing over the years to the current state rate effect 7-1-2015 6.50%.



2.00% - 1937

2.50% - 1958

3.00% - 1965

4.00% - 1986

4.25% - 1989

4.90% - 1992

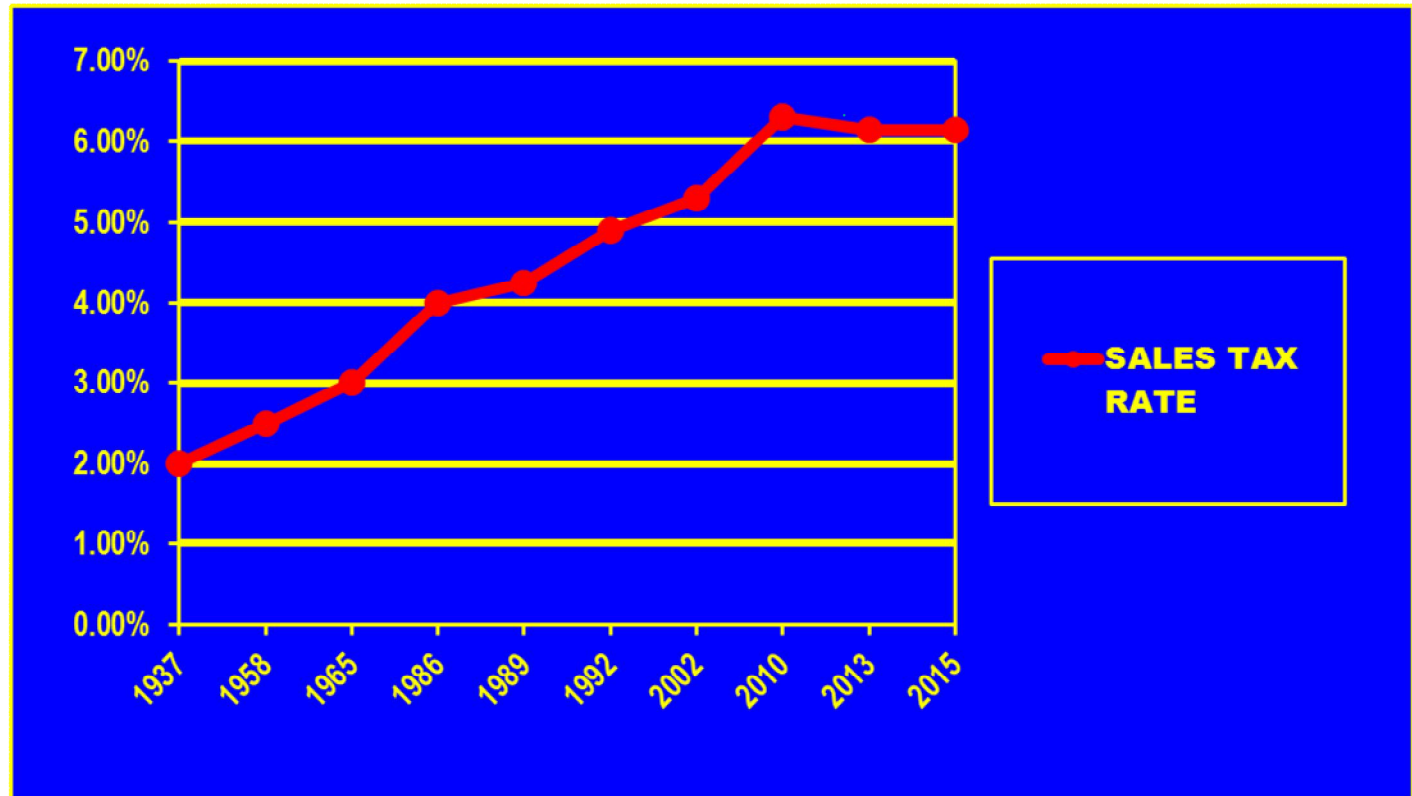
5.30% - 2002

6.30% - 2010

6.15% - 2013

6.50% - 2015

6.50% present



KANSAS COMBINED SALES TAX

State Sales Tax + Local Taxes

6.50%

Counties + Cities +
Special Jurisdiction =

*example : Community Improvement Districts OR
Transportation Development Districts*

**Total
Sales Tax
Collected**

■ Highest Combined Sales Tax Rate in Kansas

11.50%

Junction City Goody's Plaza CID (427-437 E Chestnut St.)

Leavenworth First City Hotel CID (1001 – 1101) North 4th Street (odd addresses)

Leavenworth Downtown Hotel CID (250 Delaware Street)

Hays Extended Stay Hotel Partners 1 & 2 CID and Hays TDD (4001 General Hays Rd)

Coffeyville Holiday Inn CID 701 (Northeast Street)

SALES TAX

K.S.A. 79-3603

SALES TAX IMPOSED ON:

- ◆ **Retail Sale** of **tangible personal property** within the state of Kansas – including **lease or rental**

(No sales tax due when item shipped or delivered to a point outside of Kansas.)

- ◆ **Labor Services:**

(1) **Install or Apply**, (*Contractors*)

(2) **Repair, Service, Alter or Maintain** tangible personal property.

- ◆ **Admissions** to places providing amusement, entertainment or recreation services.

- ◆ **Warranties** – that call for replacement, repair, or providing a taxable services.

SALES TAX

CHARGE SALES TAX ON...

“GROSS RECEIPTS RECEIVED” –

the total selling price including shipping, handling, freight, delivery or any other charges received by the seller.

\$ 100	Item Sold
\$ 10	Shipping Charge
<u>\$ 110</u>	Sub Total
X 1.0915	(9.15% Sales Tax)

\$120.07 Total amount due from customer

- ◆ Charge sales tax on **Manufacturer's Rebates**
- ◆ Coupons
 - ◆ Manufactures Coupons
 - ◆ Store Coupons

SALES TAX

SELLING PRICE PLUS SALES TAX, OR SALES TAX INCLUDED IN PRICE:

- ◆ SELLING PRICE PLUS SALES TAX – MUST SHOW AMOUNT OF SALES TAX DUE ON RECEIPT:

\$ 100.00	Item Sold
<u>9.15</u>	<i>Sales Tax</i>
\$ 109.15	Total Amount Due

OR

- ◆ INCLUDE SALES TAX IN PRICE – DON'T HAVE TO SHOW SALES TAX – INVOICE MUST CONTAIN:

“ALL APPLICABLE SALES TAXES INCLUDED”

\$ 109.15 Total Amount Due

SALES TAX

(Destination Based Sourcing)

SALES TAX RATE:

- ◆ Charge the rate of sales tax in effect **WHERE** the customer (final consumer) takes delivery of the item sold or where the service is first used. Called “**Destination Sourcing**”
- ◆ Publication **KS-1700 – Sales & Use**
(Available online in excel format only)
- ◆ Use the KDOR On-line Sales Tax Rate Locator₇

PERSONAL TAX
FORMS, REFUND STATUS, FILE ELECTRONICALLY, HOMESTEAD INFORMATION

BUSINESS TAX
TAX TYPES, FORMS, RULING PROCEDURES, BUSINESS CLOSING, PENALTY AND INTEREST

DIVISION OF VEHICLES
DRIVER'S LICENSE, SUSPENDED LICENSE, TITLES, COMMERCIAL VEHICLES

PROPERTY VALUATION
MEMOS, ABSTRACT / RATIO, AG USE, STATISTICS, PERSONAL PROPERTY, OIL AND GAS

ALCOHOLIC BEVERAGE CONTROL
LICENSOR LICENSING, FORMS, LAWS/POLICIES, FADS, ENFORCEMENT, DRUG TAX



TOPEKA OFFICE LOCATIONS

Alcoholic Beverage Control
Mills Building
100 SW 6th Street, Room 208
Topeka, KS 66612

Employer Assistance Center
Scott State Office Building
120 SE 10th Street
Topeka, KS 66610-1103

Property Valuation
Zbell Building
300 SW 25th Street
Topeka, KS 66611

Vehicles
Zbell Building
300 SW 25th Street
Topeka, KS 66611

FIND YOUR LOCAL DRIVER LICENSE STATION

Driver licensing and/or ID card services of some level are offered 106 out of 109 Kansas counties. Driving examinations are only given in full service stations and cannot be started within the last hour of the day. Click the button below to find your nearest station.

Search now

REFUND STATUS

To obtain information regarding the status of your current-year income tax return or Homestead refund, you must enter your Social Security number, the amount of your expected refund and select your tax return type.

Check my refund

COMMON QUESTIONS AND ANSWERS

- How do I apply for a pay plan?
- Do I qualify for a homestead refund?
- Can I pay my driver license reinstatement fee online?
- Can I get a driver's license if I am under 21?



POPULAR PAGES

- Check the status of your refund
- Find your nearest driver licensing exam office
- Income Tax Forms
- Services Homepage
- Suspended driver's license information
- Driver's License Proof of Identity
- Sales Rate Changes
- Driver's License Status Check
- Obtaining a Driver's License
- Tax Policy and Statistical Reports
- Insurance Reinstatement Payments



* = required

House Number*

Street Name*

City*

Zip*

Zip+4

Taxable Amount

Calculate Sales Tax



KANSAS WILDFIRES

On March 17, the Kansas Legislature approved House Bill 2067 waiving the sales tax on fencing material used to reconstruct agricultural fences destroyed by the 2016 and 2017 wildfires through an exemption and refund program. The law took effect March 23.

Visit our page www.kanvenue.org/wildfires to apply for a rebate, project tax exemption certificate or to learn more.



ADDRESS TAX RATE LOOKUP

* = required

House Number*

Street Name*

City*

Zip*

Zip+4

Taxable Amount

Calculate Sales Tax

Input Address	
Address	4448 SE Grand Oaks
Suite	
City	TOPEKA
State	Kansas
Zip	66609
Zip+4	

- Related items...
- ★ Contact e-services
 - ★ Manage your account online
 - ★ Business registration online
 - ★ Local sales tax rate changes
 - ★ Frequently asked questions
 - ★ Resolve tax issues
 - ★ New tax notices
 - ★ Tax rate locator
 - ★ Policy library

Sales and use tax information for this address.

Combined Code :	TOPSN
Combined Jurisdiction :	Topeka
Total Tax Rate:	9.15%

Tax Entities	
State Of Kansas:	6.500%
Shawnee County:	1.150%
City of Topeka:	1.500%

Tax Calculation	
Taxable Amount :	\$100.00
Tax:	\$9.15
Total:	\$109.15

If you have questions about this result or believe the result is in error, please [email us](#). Please refer to Request# 16111329

Note: This application should not be used for any purpose other than to determine the appropriate Kansas sales and use tax for a specific jurisdiction.



Division of Taxation

Customer Service Center

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HOME

PERSONAL TAX ▾

BUSINESS TAX ▾

FORMS ▾

ELECTRONIC SERVICES ▾

MISCELLANEOUS ▾

CONTACT TAX ABOUT ▾

Home / Business Tax / Kansas Sales and Use Tax Address Tax Rate Locator

Kansas Sales and Use Tax Address Tax Rate Locator

This site provides information on local taxing jurisdictions and tax rates for all addresses in the state of Kansas. Choose one of the following options:

LOOKUP TAX RATE BY:

- > [Address](#)
- > [Zip + 4](#)

TAX DATABASES:

- > [Upload Retailer Databases](#) - Registered retailers can get the appropriate local sales tax rates applied to their customer database through this secure application.
- > [Web Services](#) - Registered users can get direct access to the Department of Revenue's sales rate tables for customizing your system.

REGISTRATION, SPECIFICATIONS AND INFORMATION

- > [Register now](#)
- > [Upload/Return File Format Information](#)
- > [Web Services Description Language \(WSDL\)](#)

[Click here if you need assistance.](#)

FILE YOUR TAXES ONLINE!

File your Kansas income tax for free!
Fast, easy and convenient! Click the
button below to get started.

[Webfile Now](#)

RELATED LINKS

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[Personal tax forms](#)

[Resolve tax issues](#)

[Frequently asked questions](#)

[Business topics](#)

[Policy library](#)

[Department of Revenue home page](#)

SALES TAX

EXEMPTIONS:

- ◆ **CARDINAL RULE: CHARGE SALES TAX OR, TAKE AN EXEMPTION CERTIFICATE.**
- ◆ **DO NOT** charge sales tax when you obtain a properly completed Kansas Sales Tax Exemption Certificate from the purchaser.
- ◆ **TYPES OF EXEMPTIONS:**
 - ◆ Exempt Entities
 - ◆ Specific Items
 - ◆ Uses of Items

Tax-Exempt Entities in Kansas

State of Kansas and its agencies
Kansas political subdivisions – cities, counties, townships
school districts
Nonprofit hospitals
Nonprofit blood, tissue and organ banks
Nonprofit educational institutions (colleges, universities, trade
schools, etc. providing education above grade 12)
Elementary and secondary schools
Kansas groundwater management districts
Rural water districts and water supply districts
Port authority
Nonprofit nursing home, assisted living facility, interim care
home
Nonprofit, nonsectarian, comprehensive youth development
organizations
Community-based mental retardation facilities or mental
health centers
Nonprofit public health corporations
Community action groups/agencies for weatherization of
low-income homes
Nonprofit museums
Nonprofit historical societies
Nonprofit zoos
Public broadcasting stations (radio and TV)
Nonprofit organizations building Kansas Korean War
Memorials
Parent-Teacher Associations and Organizations
Contractors preparing meals for the homebound elderly,
disabled, indigent or homeless (i.e., Meals on Wheels)
Rural volunteer fire fighting organizations
Kansas chapters of these Organizations:
American Heart Association
Kansas Mental Illness Awareness Council
American Diabetes Association, Kansas Affiliate
American Lung Association
Kansas Alliance for the Mentally Ill
Alzheimer's Disease and Related Disorders Assn., Inc.
Parkinson's disease association
National Kidney Foundation (of KS and Western MO)
Heartstrings Community Foundation (effective 1/1/2005)
The Cystic Fibrosis Foundation, Heart of America Chapter
(effective 1/1/2005)
Spina Bifida Association (effective 1/1/2005)
CHWC, Inc. (effective 7/1/2006)
Cross-lines Cooperative Council (effective 7/1/2006)
Dreams Work, Inc. (effective 7/1/2006)
KSDS, Inc. (effective 7/1/2006)
Lyme Association of Greater Kansas City, Inc. (effective
7/1/2006)
Dream Factory, Inc. (effective 7/1/2007)
Ottawa Suzuki Strings, Inc. (effective 7/1/2007)
International Association of Lions Clubs (effective 7/1/
2007)
Johnson County Young Matrons, Inc. (effective 7/1/2007)
American Cancer Society, Inc. (effective 7/1/2007)
Community Services of Shawnee, Inc. (effective 7/1/2007)
Angel Babies Association (effective 7/1/2007)
Habitat for Humanity for housing project materials
Free-Access Radio and TV Stations
Religious Organizations
Primary care clinics and health centers serving the medically
underserved
Kansas Academy of Science
Domestic violence shelters that are members of the Kansas
Coalition against Sexual and Domestic Violence
(KCSDV), (effective 1/1/2005)
Kansas Bioscience Authority (effective 7/1/2004)
Special Olympics Kansas, Inc. (effective 7/1/2006)
Marillac Center, Inc. - purchases of tangible personal property
only (effective 7/1/2006)
West Sedgwick County - Sunrise Rotary Club and Sunrise
Charitable Fund (effective 7/1/2006)
County Law Libraries (effective 7/1/2006)
501(c)(3) Homeless Shelters (effective 7/1/2006)
Jazz In The Woods, Inc. (effective 7/1/2007)
Frontenac Education Foundation (effective 7/1/2007)
Rotary Club of Shawnee Foundation (effective 7/1/2007)
Victory In The Valley, Inc. (effective 7/1/2007)
Booth Theatre Foundation, Inc. (effective 7/1/2007)
TLC Charities Foundation, Inc. (effective 7/1/2007)
Wayside Waifs (effective July 1, 2008)
Goodwill Industries Easter Seals of Kansas (effective May 28, 2009)
Goodwill Industries of Kansas, Inc. (effective May 28, 2009)
All American Beef Battalion, Inc. (effective May 28, 2009)
Kansas Fairgrounds Foundation (effective May 28, 2009)
Sheltered Living, Inc. (effective May 28, 2009)

Sales & Use Tax Entity Exemption Certificate Renewal


Kansas Department of Revenue
Sales and Use Tax Entity Exemption Certificate

The Kansas Department of Revenue certifies this entity is exempt from paying Kansas sales and/or compensating use tax as stated below.

Kansas Exemption Number: KSSAMPLE99 **Expiration Date:** 11/01/2014

The tax-exempt entity understands and agrees that if the tangible personal property and/or service are used other than as stated, or for any purpose that is not exempt from the tax, the tax exempt entity is liable for the state and local sales or use tax. The unlawful or unauthorized use of this certificate is expressly prohibited, punishable by fine and/or imprisonment.

Exempt Entity
 100 Main
 PO Box 99
 Anywhere KS 66666



EXEMPT ENTITY INFORMATION:

Authorization and scope:

- K.S.A. 79-3606(b) & (d) - State of Kansas, political subdivisions of the state of Kansas (Kansas cities, counties, townships, special districts), nonprofit hospitals, and blood, tissue, or organ banks.
- Exemption applies to all direct purchase, rental or lease of tangible personal property and services, except purchases of goods for human habitation or purchases made for any business activity specifically taxable, and indirect purchases by a contractor for a real property project except as noted below.

Limitations:

- Only direct purchases are exempt through the use of this certificate.
- Except for eligible government, this entity qualifies for exemption on indirect purchases by a contractor through the issuance of a Project Exemption Certificate (PEC). Apply on-line at KDOR's web site: www.kstaxexemption.org. The only State of Kansas agency allowed a PEC is a Kansas correctional institution. Indirect purchases by all other state agencies are subject to sales tax.
- This exemption does not apply to the purchase of any construction machinery, equipment or tools used in the constructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for the exempt entity.
- Subject to sales tax are purchases of capital goods used for human habitation (i.e. residential housing and dormitories) to include materials for construction, remodeling or repair and furnishings such as beds, curtains, desks and furniture. Labor services on residential housing and dormitories are exempt as residential construction.
- All purchases of goods and services used in a business that is specifically taxable by the Sales Tax Act are subject to tax. This includes operation of a utility, restaurant, and selling of goods or services at retail.

Exempt Entity Authorized Signatory (Officer, Office Manager or Administrator) *Federal ID Number*

Printed Name *Date*

RETAILER INFORMATION:

- To qualify for exemption, the certificate must have an expiration date in the future and be signed by an authorized individual.
- Payment must be made by the entity on their checking account or on a credit/debit card issued to the entity. Acceptance of cash, personal check, or personal credit/debit cards is not allowed for a tax exempt purchase.
- The entity must have a Kansas exemption certificate. Exemption certificates issued by other states are not valid in Kansas.
- Retailers are required to maintain a copy of the purchaser's certificate in their records for at least 3 years from the date of purchase. Retailers must maintain a current certificate on file.
- Selling tax exempt goods or services that are not exempt by statute may result in the assessment of tax.
- A completed certificate may be used as a blanket exemption for future purchases when of the same type and for the same exempt purpose.

Seller's name and address

Description of goods and/or services purchased

For additional information on Kansas sales and use taxes see Publication KS-1510, *Kansas Sales Tax and Compensating Use Tax* and Publication KS-1520, *Kansas Exemption Certificate*, located at: www.kstaxexemption.org. Questions would be directed to Taxpayer Assistance at 785-368-8222.

KS-1513
 07/14


Kansas Department of Revenue
Sales and Use Tax Entity Exemption Certificate

The Kansas Department of Revenue certifies this entity is exempt from paying Kansas sales and/or compensating use tax as stated below.

Kansas Exemption Number: KSSAMPLE99 **Expiration Date:** 10/01/2020

The tax-exempt entity understands and agrees that if the tangible personal property and/or service are used other than as stated, or for any purpose that is not exempt from the tax, the tax exempt entity is liable for the state and local sales or use tax. The unlawful or unauthorized use of this certificate is expressly prohibited, punishable by fine and/or imprisonment. The certificate is issued for the sole use of the exempt entity as named.

Exempt Entity
 100 Main
 PO Box 99
 Anywhere KS 66666



EXEMPT ENTITY INFORMATION:

Authorization and scope:

- K.S.A. 79-3606(b) & (d) - State of Kansas, political subdivisions of the state of Kansas (Kansas cities, counties, townships, special districts), nonprofit hospitals, and blood, tissue, or organ banks.
- Exemption applies to all direct purchase, rental or lease of tangible personal property and services, except purchases made for any business activity specifically taxable and indirect purchases by a contractor for a real property project except as noted below.

Limitations:

- Only direct purchases are exempt through the use of this certificate.
- Except for eligible government, this entity qualifies for exemption on indirect purchases by a contractor through the issuance of a Project Exemption Certificate (PEC). Apply on-line at KDOR's web site: www.kstaxexemption.org. The only State of Kansas agency allowed a PEC is a Kansas correctional institution. Indirect purchases by all other state agencies are subject to sales tax.
- This exemption does not apply to the purchase of any construction machinery, equipment or tools by a contractor used in constructing, maintaining, repairing, enlarging, furnishing or remodeling facilities for the exempt entity.
- All purchases of goods and services used in a business that is specifically taxable by the Sales Tax Act are subject to tax. This includes operation of a utility, restaurant, and selling of goods or services at retail.

Exempt Entity Authorized Signatory (Officer, Office Manager or Administrator) *Federal ID Number*

Printed Name *Date*

RETAILER INFORMATION:

- To qualify for exemption, the certificate must have an expiration date in the future and be signed by an authorized individual.
- Payment must be made by the entity on their checking account or on a credit/debit card issued to the entity. Acceptance of cash, personal check, or personal credit/debit cards is not allowed for a tax exempt purchase.
- The entity must have a Kansas exemption certificate. Exemption certificates issued by other states are not valid in Kansas.
- Retailers are required to maintain a copy of the purchaser's certificate in their records for at least 3 years from the date of purchase. Retailers must maintain a current certificate on file.
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- A completed certificate may be used as a blanket exemption for future purchases when of the same type and for the same exempt purpose.

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Description of goods and/or services purchased

For additional information on Kansas sales and use taxes see Publication KS-1510, *Kansas Sales Tax and Compensating Use Tax* and Publication KS-1520, *Kansas Exemption Certificate*, located at: www.kstaxexemption.org. Questions would be directed to Taxpayer Assistance at 785-368-8222.

KS-1513
 07/14

KANSAS DEPARTMENT OF REVENUE

RESALE EXEMPTION CERTIFICATE

The undersigned purchaser certifies that the tangible personal property or service purchased from:

Seller: _____

Business Name

Address: _____

Street, RR or P.O. Box

City

State

Zip+4

will be resold by me in the form of tangible personal property or repair service. I hereby certify that I hold a valid Kansas sales tax registration number 004-481234567F-01, and I am in the business of selling _____

Description of tangible personal property or services purchased: _____

I understand and agree that if the items purchased with this certificate are used for any purpose other than retention, demonstration, or display while being held for sale in the regular course of business, I am required to report and pay the sales tax, based upon the purchase price of the items.

Purchaser: _____

Address: _____

Street, RR or PO Box

City

State

Zip

Signature: _____ Date: _____

KANSAS DEPARTMENT OF REVENUE
INGREDIENT OR COMPONENT PART EXEMPTION CERTIFICATE

The undersigned purchaser certifies that the tangible personal property purchased from:

Seller: _____
Business Name
Address: _____
Street, RR, or P. O. Box City State ZIP + 4

is exempt from Kansas sales and compensating use tax for the following reason:

K.S.A. 79-3806(m) exempts all sales of tangible personal property that becomes an ingredient or component part of tangible personal property or services produced, manufactured or compounded for ultimate sale at retail within or without the state of Kansas.

Description of tangible personal property or services purchased: _____

The undersigned understands and agrees that if the tangible personal property is used other than as stated above or for any other purpose that is not exempt from sales or compensating tax, the undersigned purchaser becomes liable for the tax.

Purchaser: _____
Business Name

Kansas Tax Registration Number: _____
Kansas Sales Tax Number or Kansas Manufacturers' or Processors' Exemption Number

Address: _____
Street, RR, or P. O. Box City State ZIP + 4

Authorized Signature: _____ Date: _____

THIS CERTIFICATE MUST BE COMPLETED IN ITS ENTIRETY.

WHO MAY USE THIS CERTIFICATE? Any business registered with the Kansas Department of Revenue buying raw materials or parts that meet the definition of an ingredient or component part may use this certificate. The buyer must have either a Kansas sales tax number or a Kansas Manufacturers' or Processors' Sales Tax Exemption Certificate Number. Buyers from other states that are not registered in Kansas should use the Multi-Jurisdiction Exemption Certificate, Form ST-28M, to buy ingredient or component parts.

WHAT PURCHASES ARE EXEMPT? Only items that meet the definition of an ingredient or component part are exempt. Whether or not the item qualifies for exemption depends on **how it is used** in production or processing. An item may be taxable for one use and exempt for another use, even though purchased by the same consumer. Each item and its use must be separately measured against the definition to determine whether the sale is taxable or exempt.

CONTAINERS AND SHIPPING CASES: Included as ingredient or component parts are containers, labels, and shipping cases used to distribute property manufactured or produced for sale. To be exempt, the container or other shipping or handling material must actually accompany the product sold, and must NOT be returned for reuse to the manufacturer or producer. Containers, wrappers and other similar materials are TAXABLE when purchased by a business providing a nontaxable service or when used for any purpose other than the distribution and sale of taxable property.

EXAMPLES: The following items are exempt as ingredient or component parts when used in these industries or applications.

- Clay, paints, & glazes used to make pottery or china.
- Paper and ink used in the publication of newspapers.
- Frames, springs, foam, & fabric used to make mattresses or furniture.
- Styrofoam plates, cups, paper napkins, plastic silverware and take-out containers purchased by a restaurant.
- Gold, silver, gems and beads used to make jewelry.

PROVIDING OF SERVICES: The term "service" refers only to TAXABLE services. Businesses providing nontaxable services (accountants, doctors, lawyers, day care centers, etc.) must pay sales tax on all property used to provide their services.

CONTRACTORS: Contractors, subcontractors, and repairmen may NOT use this certificate to purchase their materials. Materials and parts purchased by contractors are TAXABLE unless purchased or removed from a tax-exempt inventory with a Project Exemption Certificate.

RETAINING THIS CERTIFICATE: Sellers should retain a completed copy of this certificate in their records for at least three years from the date of sale. A seller is relieved of liability for the tax if it obtains a completed exemption certificate from a purchaser with which the seller has a recurring business relationship. A certificate need not be renewed or updated when there is a recurring business relationship between the buyer and seller. A recurring business relationship exists when a period of no more than 12 months elapses between sales transactions.

Tools of your trade

➤ **As a business, you owe sales/use tax as the end user of the equipment, fixtures, tools, and other taxable non-inventory items purchased.**

- Toothbrushes and toothpaste given to patients
- Non prescription teeth whiteners
- Spit cups, tissues, towels,
- Scrubs, uniforms, head rest covers,
- Appointment cards, magnets, giveaways,
- Medical equipment
- Hand tools, face guards, air compressors, dental tools,
- Chairs, magazine and news paper subscriptions
- Furniture, cleaning supplies, office supplies
- “Canned” software

SALES TAX

AUDITS:

- Retain all records for at least **THREE (3) YEARS**.
- If you are audited the primary question is whether you remitted the sales tax or, have an exemption certificate or shipping document.
- Auditor will look at all your sales or a sample of those sales for the last three (3) years. If a sample is taken, the sample will be projected over a three (3) year period.

SALES TAX

SALES TAX REGISTRATION NUMBER:

Example: 004-481234567F-01

- OBTAIN A NUMBER BY:
 - Paper method – Publication KS-1216
(Business Tax Application and Instructions)
 - Register On-line

Sales Tax

2017 HB 2212

Notice 17-11

Effective January 1, 2018

Sales Tax Filing Frequency Thresholds Changed

Starting in 2018

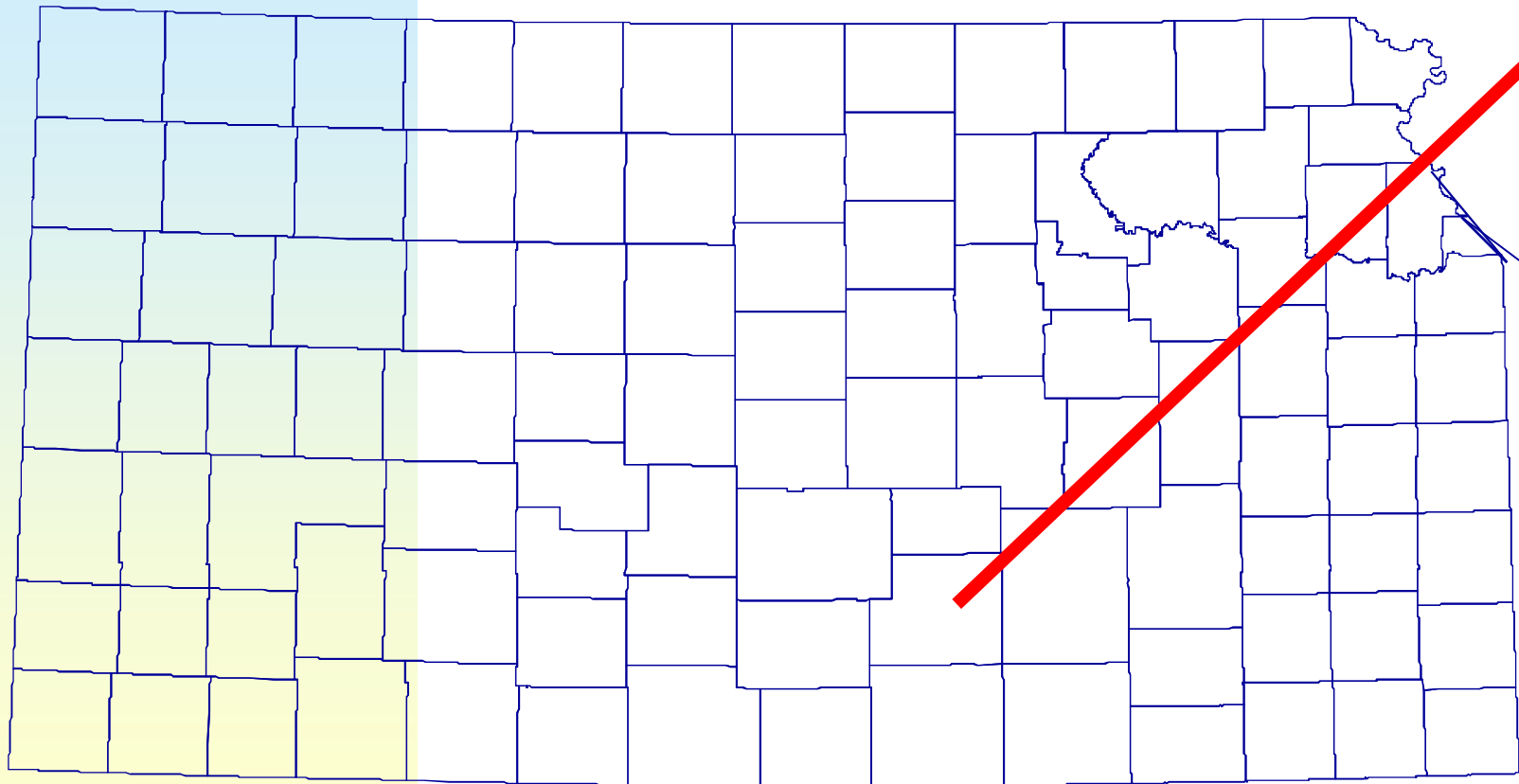
Annual Tax Liability	Filing Frequency	Return Due Date
\$0 - \$400 <i>\$0 - \$80</i>	Annual	January 25 of the following year
\$400.01 - \$4,000 <i>\$80.01 - \$3,200</i>	Quarterly	25th of the month following the end of the calendar quarter - April 25, July 25, Oct. 25, Jan. 25
\$4,000.01 - \$40,000 <i>\$3,200.01 - \$32,000</i>	Monthly (Seasonal)	25th of the following month - a Jan. return is due by Feb. 25
\$40,000.01 and above <i>\$32,000.01 and above</i>	Pre-paid Monthly	First 15 days of the current month's liability and the remainder of the preceding month's liability is due on or before the 25th of the current month.

KANSAS DEPARTMENT OF REVENUE

Kansas Compensating Use Tax

Retailers Sales Tax:

*No sales tax when shipped **OUTSIDE** of
KANSAS*



COMPENSATING USE TAX

COMPENSATING USE TAX IMPOSED ON:

- ◆ The **USE, STORAGE or CONSUMPTION** of an article of **tangible personal property** within the state of Kansas – including **lease or rental**
- ◆ – upon which no sales tax has been paid or,
- ◆ if a sales tax has been paid – the amount of tax paid is less than the amount of Kansas Compensating Use Tax in effect where the item is **used, stored or consumed**.

COMPENSATING USE TAX

EXEMPTIONS:

- ◆ **ALL of the SALES TAX exemptions apply to Compensating Use Tax situations.**
- ◆ **If the purchase would have been exempt from Kansas Sales Tax – if purchased in Kansas – the purchase is also exempt from Kansas Compensating Use Tax.**

COMPENSATING USE TAX

COMPENSATING USE TAX RATE:

- ◆ The Compensating Use Tax rate is the same as the Sales Tax rate in effect **WHERE** the item purchased will be USED, STORED or CONSUMED.
- ◆ Use Publication **KS-1700** – Sales & Use or,
- ◆ Use the KDOR On-line Sales Tax Rate Locator

COMPENSATING USE TAX

COMPENSATING USE TAX DUE ON:

- **“PURCHASE PRICE”** – the total amount paid – including shipping, handling, freight, delivery or any other charges.

\$ 100 Item Sold

\$ 10 Shipping Charge

\$ 110 Sub Total

X 0 .915 (9.15% Use Tax)

\$10.07 Total Compensating Tax Due

COMPENSATING USE TAX

AUDITS:

- Retain all records for at least **THREE (3) YEARS**.
- If you are audited the primary question is whether you purchased tangible personal property from outside of the state of Kansas upon which no sales tax has been paid or if a tax has been paid, it is less than the Kansas Compensating Tax due.
- Auditor will look at all your purchases or a sample of those purchases for the last three (3) years. If a sample is taken, the sample will be projected over a three (3) year period.
- Office supplies & furniture, computers, subscriptions, tools of your trade.

COMPENSATING USE TAX

USE TAX REGISTRATION NUMBER:

- Example: **006**-481234567F-01 (Consumers')
005-481234567F-01 (Retailers')
- OBTAIN A NUMBER BY:
 - Paper method – Publication KS-1216
 - Register On-line

Sales Tax

2017 HB 2212

Notice 17-11

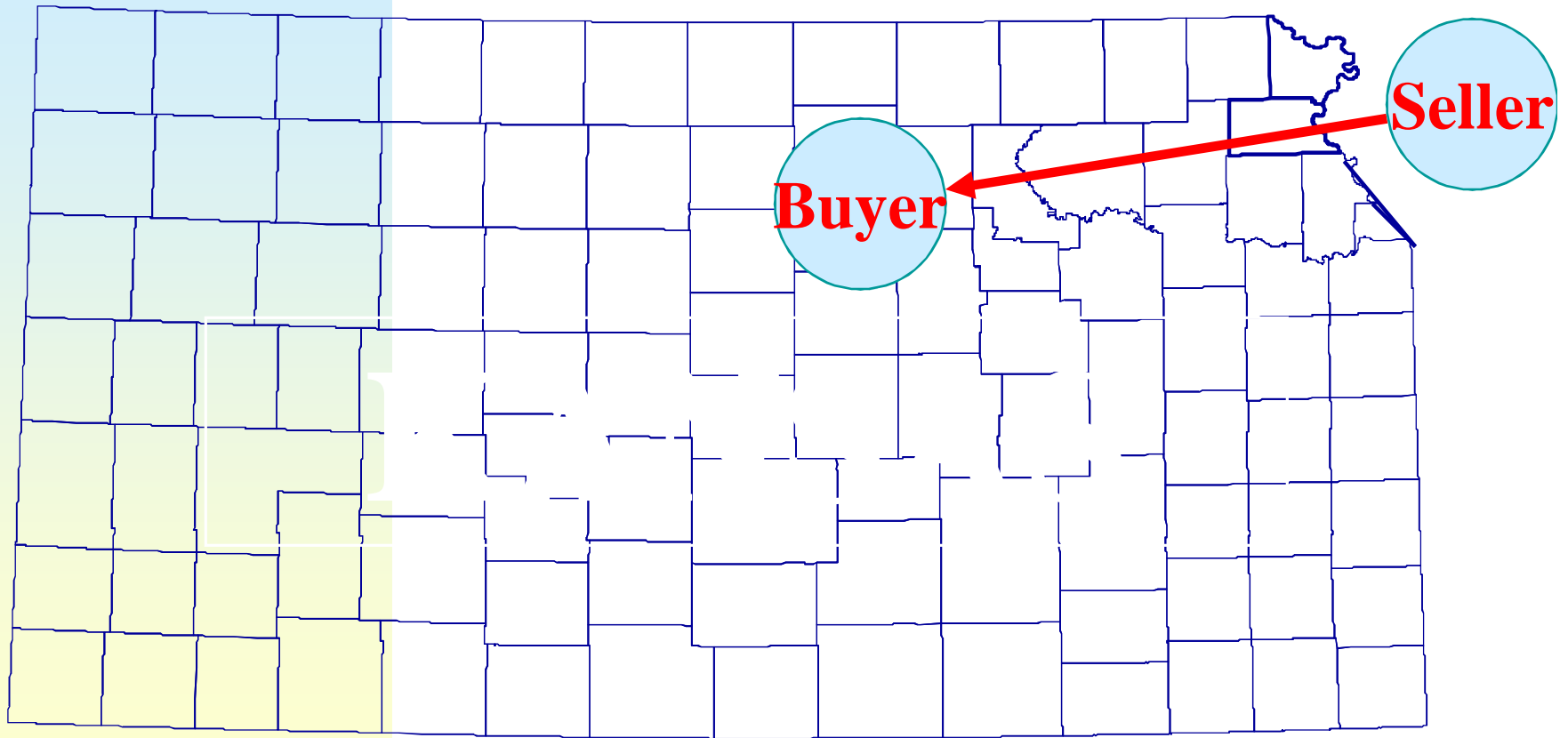
Effective January 1, 2018

Sales Tax Filing Frequency Thresholds Changed

Starting in 2018

Annual Tax Liability	Filing Frequency	Return Due Date
\$0 - \$400 <i>\$0 - \$80</i>	Annual	January 25 of the following year
\$400.01 - \$4,000 <i>\$80.01 - \$3,200</i>	Quarterly	25th of the month following the end of the calendar quarter - April 25, July 25, Oct. 25, Jan. 25
\$4,000.01 - \$40,000 <i>\$3,200.01 - \$32,000</i>	Monthly (Seasonal)	25th of the following month - a Jan. return is due by Feb. 25
\$40,000.01 and above <i>\$32,000.01 and above</i>	Pre-paid Monthly	First 15 days of the current month's liability and the remainder of the preceding month's liability is due on or before the 25th of the current month.

Compensating USE Tax:



NEXUS

NEXUS - legal term meaning that a taxpayer has a “connection or significant presence” in a taxing jurisdiction (State of Kansas) for tax purposes.

If an out-of-state retailer has a nexus with Kansas - KDOR can force that retailer to collect the Kansas Retailers' Compensating Tax.

NEXUS INVOKED BY:

- 1) Deliveries into Kansas with own vehicles.**
- 2) Employees or Representative within Kansas.**
- 3) Own or rent real estate in Kansas.**